

#### REMARKS

This application, as amended herein, contains claims 1-18. Claims 18 and 20 previously canceled.

First, the undersigned wishes to thank Examiner Maguire for the rationale for the rejection of the claims based on the Lee provisional patent application, as stated on pages 17 and 18 of the Office Action of March 5, 2008. It continues to be the position of the undersigned, which has apparently been accepted by the Examiner, that any rejection must be based on the Lee provisional, and not the application that issued as the Lee patent. However, the rationale supplied by Examiner Maguire now explains how the teachings of the provisional are being applied in the rejection, and therefore provides a basis for continuing the prosecution of this application. The helpful comments of the Examiner with respect to the Lee provisional are thus sincerely appreciated.

Claims 1, 3, 8, 10-15 and 18 were rejected as being obvious over U.S. Patent No. 6,748,367 to Lee in view of Abecassis. Claim 2 was rejected as obvious over Lee in view of Abecassis and further in view of Lai. Claims 4-6 were rejected as obvious over Chang in view of Abecassis, in view of Lee. Claim 7 was rejected as obvious over Chang in view of Abecassis in view of Lee and further in view of Lai. Claim 9 was rejected as obvious over Lee in view of Chang and further in view of Abecassis. Finally, claims 16-17 were rejected as obvious over Abecassis in view of

Lee. These rejections are all respectfully traversed for the reasons set forth below.

Claim 1 has been amended herein to recite:

first apparatus for establishing, at a financial institution, a single, dedicated temporary account for use only for a single designated transaction with a single vendor for purchase of a single item, said account holding only a required amount of money for said transaction, for transfer only to said single vendor;

Support for this amendment may be found in the specification, at least at page 4, line 14, page 6, lines 15-18, page 13, lines 7-8 and page 16, lines 9-12

The key disagreement with respect to the Lee provisional patent application seems to center on the "claim pool" and the "digital tokens" of Lee. It is the position of the undersigned that when internet cash is in the claim pool, it is not in a single dedicated temporary account for use only for a single designated transaction with a single vendor, for purchase of a single item, and that it does not hold only the required amount of money for the transaction, for transfer only to the single vendor for that specific transaction. Specifically, it is the position of the undersigned that the cash in the "claim pool" of the Lee provisional may:

1. Be used for a variety of transaction with different vendors;

2. Is not in a specific amount for a specific transaction (left over or unused tokens may kept in a local file or wherever one desires to keep). See Lee provisional page 5 of 10, first major bullet at margin, last sentence).
3. The claim pool obviously can be used for more than one transaction.
4. There is absolutely no teaching or suggestion of purchase of only a single item with the money in the claim pool.

The Examiner also argues that the digital tokens of the Lee provisional are a temporary account. However, with respect to these tokens, it is noted that:

1. In Lee, more than one token (a combination of tokens) is required to pay for anything ordered, because the amounts of the tokens correspond to specific amounts of cash, so there is no holding of only a required amount of money for the transaction in a single, dedicated temporary account.
2. There is absolutely no teaching or suggestion of purchase of only single item with the money represented by the tokens.
3. Encrypting the tokens with the user's public key still does not designated the token for use by a specific vendor; it merely provides security so that only the person who owns the token can use it.
4. The tokens are encrypted with the vendor's public key (not private key, as stated by the Examiner) only after payment has already been made to the vendor, and

the vendor seeks to deposit the cash represented by the combination of tokens to the vendor's account. Until that time, the tokens could be used by anyone for anything.

It was previously noted that the cited portions of Abecassis add nothing to the Lee provisional application to render claim 1 obvious. There is nothing in Abecassis to teach or suggest a fourth apparatus for providing a verification by said vendor, via said network, which verifies the contents of said temporary account and locks said temporary account to limit access by said purchaser. The cited portions of Abecassis are directed to an escrow account over which the purchaser has control.

Thus, it is submitted that claim 1, as amended herein is not taught or suggested by the Lee provisional or any combination of Lee and Abecassis. Accordingly, it is submitted that claim 1 is directed to patentable subject matter.

Independent claims 4, 8, 10, 13, 16 and 18, have been amended in a manner analogous to claim 1. For the many reasons set forth above with respect to claim 1, it is submitted that claims 4, 8, 10, 13, 16 and 18 are directed to patentable subject matter.

The remaining claims depend from one of the independent claims discussed above. These claims recite further elements, which in combination with the elements of

the independent claims, are not shown or suggested in the art of record.

With specific reference to claim 7, it is noted that the rejection relies on a combination of four separate references. The rejection does not take into account the synergistic combination of the various security procedures of locking an account with keys, with the use of a temporary dedicated account for a specific transaction, to thus provide a very high level of security. It is submitted that to combine the four references is using impermissible hindsight, wherein references have been chosen and assembled after knowledge of Applicant's invention. For the reasons set forth above, and for those set forth with respect to the independent claims, it is submitted that claim 7 is patentable.


#### Conclusion

First, as noted above, neither the claim pool nor digital tokens of the Lee provisional are a temporary account of the type specified in the independent claims, as noted above. Further, there is no teaching or suggestion in the Lee provisional, that the digital tokens are of a required amount for a specific transaction. In fact, page 5 of 10 of Lee's provisional application (lines 5-6) teaches a proper combination of Internet cash tokens to meet the requested amount. This is because the tokens would be in specific cash amounts (as with ordinary cash) for use in any transaction, and thus there is no specific amount in the pool or the tokens for any predetermined

transaction, and certainly not in a single dedicated account. Further, the Lee provisional does not teach or suggest only a required amount of money for the single designated transaction, as set forth in the independent claims. In addition, the digital tokens of the Lee provisional can be used with any vendor, and there is no teaching or suggestion that the account can only be used to transfer a required amount of money for the single designated transaction to the single vendor (for example, a specific merchant), as specifically set forth in the independent claims.

Allowance of this application is respectfully requested. A check for the required extension of time is enclosed, as indicated on the enclosed RCE transmittal.

Respectfully submitted,

  
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9/5/2008  
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